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MPS ER MDS
70-6230

MOUNT AUBURN HOSPITAL

Memorandum

To: Mount Auburn Hospital Employees
From: Susan Glover, Director of Compensation and Benefits
Date: August 18, 1994
Re: Open Enrollment for Life and Long Term Disability Insurance Benefits

Open enrollment for Mount Auburn Hospital's optional life and long term disability plans will be held from August 22nd through September 21st, with coverage effective October 1st. Eligibility for each of the plans is based on your regularly scheduled hours and your length of service. Please refer to the attached information to determine your eligibility.

These new benefit options offer you:

- additional disability and life insurance coverage
- life insurance coverage for your dependents
- payment through convenient payroll deduction
- no medical certification or physical exam required
- an enrollment deadline of September 21, 1994

Attached you will find a summary of each plan, an enrollment form, and a rate chart and worksheet with which you will be able to calculate your weekly deduction for the plan(s) of your choice. If you wish to enroll in any of these optional plans, we must receive your completed enrollment form by Wednesday, September 21st. Weekly deductions will begin with the paycheck you receive on Thursday, October 6th.

Representatives from Liberty Mutual Insurance Company, as well as members of the benefits staff, will be available in the cafeteria on Wednesday, September 14th from 7:30 am until 5:00 pm to answer employees' questions and provide assistance in completing the enrollment forms.

The next open enrollment period for these plans will not be held until December of 1995, for a January 1, 1996 effective date. Don't miss this opportunity to investigate these valuable new benefits.

Please feel free to contact me (X5169) or another member of the benefits staff (X5066) with questions you may have regarding the new plans.



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Optional Life and Long Term Disability Plans
(Paid for by Employee Through Payroll Deduction)

Current vs. New (Effective 10/1/94)

Current Plan	New Plan
Supplemental Life Insurance	
Eligibility: All employees regularly scheduled for 20 hours or more for at least 6 months	Eligibility: Exempt employees regularly scheduled for 20 hours or more. Non-exempt employees regularly scheduled for 20 hours or more for at least 6 months
Benefits: 1, 1 1/2 or 3X annual salary depending on position and employee's selection	Benefits: 1, 2 or 3X salary per employee's selection at significantly reduced rates compared to current plan. Maximum benefit of \$800,000 combined with basic coverage. (5)
Dependent Life Insurance	
Not currently offered	Eligibility: all employees regularly scheduled for 20 hours or more
	Benefit: (6)
	<ul style="list-style-type: none"> Option 1: \$25,000 coverage for spouse, \$5,000 coverage for dependent to age 19 (23 if FT student); \$500 coverage for infants 8 days to 6 months Option 2: \$10,000 coverage for spouse, \$3,000 coverage for dependent children to age 19 (23 if FT student); \$500 coverage for infants 8 days to 6 months

Supplemental Long Term Disability	
Not currently offered	Eligibility: Exempt employees regularly scheduled for 40 hours. Non-exempt employees regularly scheduled for 40 hours for at least 6 months
	Benefits: (7)
	<ul style="list-style-type: none"> Option 1: benefits begin after 90 days (instead of 180 days). Option 2: includes benefits after 90 days and an increased benefit to 70% of monthly salary (maximum of \$15,000 per month). Cost of living increases included.
Part-Time Employee Long Term Disability Insurance	
Not currently offered	Eligibility: Exempt employees regularly scheduled for 30-39 hours. Non-exempt employees regularly scheduled for 30-39 hours for at least 6 months
	Benefit:
	<ul style="list-style-type: none"> 60% of monthly salary up to a maximum of \$11,000 per month after 180 days of disability

(3)

Mount Auburn Hospital

Supplemental Life Insurance Plans

Eligibility

Exempt:	Employees regularly scheduled for a minimum of 20 hours per week
Non-exempt:	Employees regularly scheduled for a minimum of 20 hours per week for at least 6 months

(8)

Supplemental Life Insurance

You may buy supplemental life insurance coverage in addition to the basic plan paid for by Mount Auburn Hospital.

- Option of 1, 2, or 3 times your annual base pay to a maximum of a combined total with the basic plan of \$800,000
- Rates based on your age and amount of coverage selected

(9)

Dependent Life Insurance

You may buy life insurance coverage for your spouse and/or children.

- **Option 1** - Spouse: \$10,000; Child: \$3,000 after 6 months to age 19 (23 if full-time student); Child: \$500 from 8 days to 6 months
- **Option 2** - Spouse: \$25,000; Child: \$5,000 after 6 months to age 19 (23 if full-time student); Child: \$500 from 8 days to 6 months

Your cost is based only on the option you select (see rate chart). Your cost will not change based on your age, pay, or number of dependents.

The following applies to all of the above life insurance plans:

- You do not need to provide evidence of medical insurability.
- Your special group rates are guaranteed until January 1998.
- You may change your option during the next open enrollment period (effective January, 1996).
- You may change your beneficiary(ies) at any time.
- You may cancel your coverage at any time.

Detailed booklets describing all of the life and long term disability insurance plans will be provided to all plan participants this fall.

(10)
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